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**INVESTMENT BEHAVIOR'S DETERMINANTS: THEORY  
OF PLANNED BEHAVIOR'S SUBSTANTIATION**

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## Abstract

Human behavior is difficult to predict, as it varies from time to time, situation to situation, and most importantly individual to individual, personalities are never fully exposed or understood. And this topic has gathered a lot of attention from the researchers in the past as well, and keen interest is still there, as there is so much to explore. Behavioral Finance is an emerging field, which explain the human psyche, when it comes to the financial decision. The purpose of this research is to explore the investment behavior of the individual investors of Rawalpindi and Islamabad, and to determine the factors that contribute to the behavior. This study also checks the mediating role of investing intentions towards the investment behavior. Theory of Planned Behavior has emerged as one of the most influential and popular model for the study of human behavior, so based on the reputation, it has been used for the current study as well. The study is quantitative, and survey method is used to collect data. 400 questionnaires were distributed, and 296 were received back with full responses, yielding a response rate of 74 percent. IBM SPSS Statistics version 23 is used to run statistical tests and analyzed the data. Hayes Process is used to run the regression analysis on collected data, because of the presence of a mediator in the conceptual model. Apart from that, demographic analysis, reliability analysis, descriptive statistics analysis, and correlation analysis are also performed on the data. Correlation analysis confirmed the existence of relationship among the variables, and then regression analysis was used to determine the nature of relationship.

The findings show that attitudes, subjective norms and perceived behavioral control contributed significantly towards determining the investing intentions, and similarly investment behavior can also be determined with the help of attitudes, perceived behavioral control and subjective norms, but the impact of investing intentions on investment behavior was found insignificant, which means that investing intentions don't play the role of a mediator in the model, and there could be a number of reasons for that, the culture can be one. Nevertheless, theory of planned behavior proved out to be a significant model for human behavior. So, for future research purposes, other socio-

psychological models can also be used in area of finance, to determine the human behavior as far as their financial decisions are concerned. Investors and advisors can use this research as a guideline for their future investment decisions as well, they can take their prior investment as reference, and analyze that how the variables mentioned in the study impacted their investment.

Keywords: Attitudes, Subjective Norms, Perceived Behavioral Control, Investing Intentions, Investment Behavior, and Hayes Process.